

BUDGET SPEECH

(Session 1947)

DELIVERED BY

The Honourable C. M. Fines
PROVINCIAL TREASURER

IN THE
LEGISLATIVE ASSEMBLY
OF
SASKATCHEWAN

Thursday, March 6, 1947



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THOS. H. McCONICA, King's Printer

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(Provincial Treasurer)

on

The Budget

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Legislative Assembly of Saskatchewan

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Mr. Speaker: Again it becomes my privilege to move that you do now leave the chair and that this Assembly resolve itself into a Committee of Supply for the consideration of sums to be granted to His Majesty. In doing so I recognize my responsibility to provide hon. members with a comprehensive statement of the finances of the Province.

Agricultural Conditions

Following established custom, Mr. Speaker, I shall first review briefly the economic situation in the province as revealed by the statistical records of production in the major fields of activity. Naturally, Agriculture, as our chief industry, claims first attention in such a review.

The estimated total value of the principal crops (wheats, oats, barley, rye and flax), in 1946, was \$332,242,000 as compared with \$315,730,000 in 1945, an increase of \$16,512,000. The increase is almost wholly attributable to the better wheat crop of 200,000,000 bushels valued at \$228,000,000, which exceeded the 1945 figures by 32,000,000 bushels in yield and \$33,000,000 in value.

As predicted by farmer members of the Government side of the House, during last Session, a considerable acreage (700,000 acres in fact) was taken out of oat production and sown to wheat, resulting in a drop in production of oats to 117,000,000 bushels valued at \$58,500,000, in 1946, compared with 143,000,000 bushels valued at \$71,500,000 reported for 1945. Barley, in acreage sown, total production and value of crop, showed a similar decline from the 1945 figures, with 46,000,000 bushels against the 54,500,000 of 1945, and a value of \$29,900,000 against the \$35,425,000 for the previous year. Rye, from increased acreage, slightly higher average yield and a total production of 3,400,000 bushels valued at \$6,562,000, scored a 50% increase over the corresponding figures for 1945, though the fact that prices ranged 30 cents per bushel more than in the previous year was contributory to the higher total value. Flax yielded a crop of 3,400,000 bushels valued at \$9,280,000, which was lower, but not markedly so, than for 1945.

Livestock and Livestock Products

Turning to the livestock statistics, it becomes evident at a glance how accurate was the forecast made, last year, by the farmer members of this side of the House, when they predicted that Federal agricultural policies would inevitably be reflected in reduced livestock production, particularly in regard to hogs. The records show that the livestock population on Saskatchewan farms in 1946, as compared with 1945, was lower in horses, milch cows, other cattle, and swine. The sole exception, in this connection, was sheep and lambs, in the number of which a slight increase was recorded. The most marked drop was in the number of hogs on farms—757,000 in 1946, compared with 1,006,600 in 1945.

If further proof were needed of the foresight of those members who so accurately foresaw the trend, the number of hogs marketed during 1946 was 513,000, compared with 942,000 in the previous year. While other livestock marketings were below those of 1945, in no case was the decline so conspicuous as in the case of hogs.

The creamery butter make, during 1946, fell 4,000,000 pounds below the 41,039,582 produced in the preceding year, and cheese production dropped to 350,611 pounds from the 366,243 make of 1945.

The 1946 wool clip of 2,420,000 pounds was 60,000 pounds higher than in the previous year; but 1946 was a poor year for honey producers, the output of 3,955,655 pounds being little more than half the record production of 1945.

Cash Farm Income

Not unexpectedly, therefore, in view of the figures I have given, the estimated cash farm income from the sale of produce, in 1946, is \$16,205,000 less than in the previous year—and this despite the fact that \$19,692,000 was received on Wheat Participation Certificates, last year, as compared with only \$5,208,000 in 1945. The total cash income for the year is estimated at \$398,853,000 as against

\$415,058,000 for the preceding year. In 1946, total cash receipts from the sale of the principal grains amounted to \$267,921,000, a drop of approximately \$10,000,000, while from livestock and livestock products the aggregate income was \$119,912,000, a drop of almost \$7,000,000.

The overall recession in agriculture, however, is slight and, of course, temporary; and certainly not ominous to anyone aware of the capacity of the province to produce, the skill and adaptability of our farmers, and the almost universal need for the foodstuffs which Saskatchewan can produce in abundance. Resilience is as characteristic of our prairie soil as it is of our people; the Government has implicit confidence in both.

Other Primary Production

Turning now to other features and factors of primary production in Saskatchewan, during the past year, I see in the records much to encourage our optimism, much to embolden our enterprise. I turn to a scene of bustling activity, of pioneering in many fields of development. I survey a variety of natural resources beginning at long last to integrate with our agricultural industry, and opening vistas of an industrial future in which dreams of a balanced economy are transformed into realities.

Mineral production, following the peak demand of the war period, received a setback with the cessation of hostilities and in the early stages of the changeover to a peace-time economy. Loss of tonnage in the base metals, however, was more than offset by rising prices, and, according to the Dominion Bureau of Statistics, the value of mineral production in Saskatchewan, for the calendar year, 1946, shows an estimated increase of 7.5% over the figures for the preceding year. I am informed that the recently announced price-raising action on base metals will mean an increased value for our mineral production of more than 50%.

Metallic Mineral Production

Metallic minerals produced during 1946 had an estimated value of \$18,911,394 compared with \$18,164,035, for 1945, in spite of lower output in the base metals. Increases were noted in production of silver and gold, while tellurium (though the production is small) figured more strongly than ever before. A table of the comparative figures, showing varieties, quantities and estimated values, for the calendar years 1945 and 1946, may be of interest to members:

Metals	1945		1946	
	Quantity	Value	Quantity	Value
Cadmium	107,741 lbs.	\$ 106,663	99,000 lbs.	\$ 120,780
Copper	65,900,701 lbs.	\$ 8,270,538	61,080,000 lbs.	\$ 7,808,000
Gold	108,568 oz.	\$ 4,179,868	112,000 oz.	\$ 4,116,000
Selenium	41,209 lbs.	\$ 79,121	68,000 lbs.	\$ 108,700
Silver	1,425,457 oz.	\$ 670,435	1,483,000 oz.	\$ 1,240,530
Tellurium	395 lbs.	\$ 758	8,667 lbs.	\$ 11,334
Zinc	75,413,951 lbs.	\$ 4,856,652	70,500,000 lbs.	\$ 5,506,050
		<hr/> \$18,164,035 <hr/>		<hr/> \$18,911,394 <hr/>

New Mining Developments

New and projected developments in or related to the mining industry indicate the greater interest being taken in Saskatchewan's mineral resources. The Hudson Bay Mining and Smelting Company at Flin Flon, for example, anticipating future mining developments, has contracted for a new 21,000 horse power hydro-electric generating unit for its power plant at Island Falls. The new unit will cost approximately \$1,000,000 and, when installed, will increase the power output of the generating station to 111,000 horse power.

The Newcor Mining and Refining Limited, also, is nearing completion of a 100-ton ore treating plant at Douglas Lake, near Flin Flon. Newcor ore is arsenical gold. The company hopes to do custom mill-work for other small concerns having properties in the area.

Prospecting is becoming more active in the province, some 301 claims having been staked and recorded during 1946. The areas of present activity include: Athabasca Lake, Wollaston Lake, Jo-Jay Lake, Nistoassini Lake, Shunea Lake, Sulphide Lake, and a number of points in the Churchill mining district, which includes Amisk Lake and the Flin Flon areas.

Sodium Sulphate Production

Sodium sulphate production, in 1946, aggregated 105,768 tons valued at \$1,030,546, compared with the 93,068 tons, valued at \$884,322, produced in the preceding year. As hon. members are aware, the Government is establishing a sodium sulphate recovery and refining plant at Chaplin Lake. This venture in the field of social ownership will be operated by a Crown Corporation known as "Saskatchewan Minerals", and is expected to be in production later this year. Two reservoirs have been constructed into which brine from the lake has been pumped. The salt precipitates from the saturated solution during cold weather. Already a large tonnage of Glauber's Salt has been precipitated in this manner, and is now available for the proposed refining plant.

Clay products produced, in 1946, had an estimated value of \$379,156, an increase of more than \$100,000 over the previous year's production. Sand and gravel used was well above the 1945 total, aggregating 2,011,994 tons, valued at \$974,513, compared with 1,237,695 tons, valued at \$563,276. Structural quartz was down 11,000 tons to 130,000 tons, valued at \$45,675.

Fuel Production Higher

Noteworthy increases were reported in production of the fuels (coal, natural gas and petroleum), during the 1946 calendar year. Coal output, which had fallen off, during 1944-45, due to the closing of Armed Forces' establishments in the province, has made an excellent recovery. The 1946 production from Saskatchewan mines aggregated 1,508,309 tons, valued at \$2,448,715, and was only 156,000 tons short of the record production year of 1943. Though last year's tonnage was 24,686 tons below that reported during 1945, its value exceeded that of the previous year's output by \$121,633.

Some 201,000 M. cubic feet of natural gas was produced in the province in 1946, as compared with 162,824 M. cubic feet in the preceding year. The comparative values were: 1946, \$70,000; 1945, \$58,765. Last November, the town of Unity was placed on the pipe line supplying gas from the Unity field and, during 1946, three wells supplied the town with 53,325 M. cubic feet of gas. Other towns served with natural gas from Saskatchewan fields are: Lloydminster, which consumed 144,890 M. cubic feet, in 1946, from five wells in the local field, and Kamsack, which used 53,325 M. cubic feet from six wells in the adjacent area. Five additional wells were drilled in the Vera-Unity gas field, during the year at considerable distances from the producing wells.

May I inform hon. members that the Government is considering the advisability and desirability of the Province entering the pipe line industry as a common carrier.

Commercial Oil Field

Petroleum output, in 1946, totalled 146,000 barrels, a tenfold increase over the figure recorded in the first year of operations. Hon. members will recall that it was in April, 1945, that National Grant No. 1 well struck oil in the Lloydminster field, the first real oil discovery in Saskatchewan. That discovery was quickly followed by other wells and, during 1946, sufficient wells encountered oil to establish the existence of a commercial field in the Lloydminster area of Saskatchewan. Twenty-one wells were producing last December. The Husky Refining Company, of Cody, Wyoming, is erecting a refinery with a capacity of 7,500 barrels per day to treat oil from this field. An oil cleaning plant, already established in relation to the field, is increasing its capacity from 40,000 to 80,000 barrels per month.

Desiring to aid development of this field, the Government is conducting research into cracking methods of refining Lloydminster crude. A pilot plant has been established in Regina, in which the merits of a new cracking process are now undergoing test.

Million Dollar Salt Industry

Gas and oil drilling activities in Saskatchewan have shown the presence of widespread common salt (sodium chloride) deposits at varying depths from 3,300 feet to 7,000 feet, extending roughly from Radville to Lloydminster. The beds, as encountered in the bore holes, have thicknesses up to 400 feet. As hon. members are aware, development of a \$1,000,000 salt industry in the province is to be undertaken, this year, by the Prairie Salt Company, a subsidiary of Dominion Tar and Chemicals Company Limited. A production minimum of 7,500 tons of salt annually is projected. The company will operate the deposits under an agreement with the Government which amply safeguards the public interest.

Summing up, the figures for mineral production during 1946 show an aggregate estimated value of \$24,019,999 as compared with \$22,336,074 in 1945.

Forest Products, Furs and Fish

The total value of forest products produced in 1945-46 was \$7,153,849.09, a slight increase over that for the preceding year. Wild fur production, for the same period, showed a substantial advance over 1944-45 figures, the total value of the pelts being \$2,770,908.03 compared with \$1,543,663.07 for the previous year. Value of fur farm pelts also rose considerably, the comparative estimates being: 1944-45, \$767,066; 1945-46, \$888,764.54. The commercial fish catch, in 1945-46, showed a slight decline in value at railhead from the catch of the previous year, the figures being \$1,184,145 as against \$1,318,649 in 1944-45.

Power Commission Expansion

This review would be incomplete if I failed to make reference to electric power development in Saskatchewan. A further step in the Government's program of ownership of public utilities was taken when the entire Saskatchewan holdings of Canadian Utilities Limited were purchased by the Province. With the exception of one private company and a few isolated units, the electric power industry in the province is now under public ownership. The expansion of the Saskatchewan Power Commission's holdings and services is well illustrated by the comparative figures showing the positions as at December 31 in 1944 and 1946:

	1944	1946	Increase
Miles of Transmission Lines	1,626	2,651	1,025
Towns and villages served	146	255	109
Number of services	12,989	28,014	15,025

Discovery of Potash Deposits

Mr. Speaker, I have made no mention heretofore in this review of the potentially valuable potash deposits discovered in the province, to which attention of hon. members has been drawn by the Minister of Natural Resources, and which have been the subject of many press reports originating both in Regina and in Ottawa. Incorporating that discovery in the general picture so barely sketched by the statistical record, and summarizing impressions gleaned from this brief review, I gain a sense of a Saskatchewan marching toward a new day of wider horizons and greater opportunities for the energies and initiatives of its people. It conjures up a scene of new enterprise and expansion. I see in it complete refutation of the prophecies and the forebodings of those who, fearing some vested interest would be crushed, declared that advent of a C.C.F. Government would drive private capital and private enterprise from Saskatchewan.

If further refutation be necessary beyond the facts of the statistical record, I would repeat what has been so often said in and out of the House: this Government recognizes that private enterprise has a place in our economy—private enterprise of the right kind, that carries with it no threat of monopolistic exploitation of our people. I would repeat, also, with your permission, figures already given to this House at this

Session: that, from July 1, 1944, to January 27, 1947, 335 provincial companies, with a total capitalization of \$34,409,000, had been incorporated in Saskatchewan; 65 extra-provincial companies, with a capitalization of more than \$70,000,000, had come into the province, and that 1,307 partnerships had been formed—all since the present Government took office.

Scope for Private Capital

Indeed, Mr. Speaker, so long as it is prepared to contribute to the economic advance and security of the people of Saskatchewan, private capital and enterprise need have no concern over the policies of this Government. We recognize fully that, under the existing framework of our national economy, there is wide scope for private capital. It may, with profit, engage in the utilization of our primary products, perform services and provide consumers' goods at lower cost, undertake speculative ventures, and provide training and employment for our people.

Financial Aid for Industries

In the past, this Government has followed the policy of extending its technical services, not only to assist co-operatives, but also to aid private enterprise in formulating plans for industrial development. Now it is hoped that a further step can be taken. The time is now ripe, I believe, to set up a revolving fund through which we propose to extend financial aid to co-operatives, municipalities, private firms and corporations seeking to establish approved industrial plants and projects within this province.

Government's Contribution to Development

This Government itself, through its Crown Corporations, is already showing the way in industrial development. I need not remind this House, Mr. Speaker, that under previous administrations, little aid, and still less action, was ever undertaken to foster secondary industry in this province. As a result, Saskatchewan has always lagged far behind other provinces in developing this part of her economy. We may lack some of their natural advantages, but the present Government has not been deterred from striking out boldly to make up for lost time and lost opportunity. Our hand has been immeasurably strengthened by the support of the people of the province. For they have come to realize that there are many fields of industrial and commercial endeavour in which social control through their elected representatives is superior to the traditional method of private control.

Thirteen Crown Corporations

Thirteen Crown Corporations, engaged in a wide variety of industry, manufacture and service, have been financed by the Industrial Development bond issue and advances from the Provincial Treasury. These were advances, I should like to stress, Mr. Speaker, fully authorized and approved by the members of this House. And I may repeat here, that during the six months period from April 1 to September 30, a profit of nearly 13 per cent per annum was realized

on advances of three million dollars made by the Treasury during that period.

The People Are The Shareholders

The criticism has been raised that the Crown Corporations do not pay interest on advances from the Treasury. But the people of Saskatchewan, through their Government, are in actuality the shareholders, rather than the creditors, of the Corporations. As a consequence they will receive dividends from their investment, as the Corporations earn profits to be paid into the funds of the Government. These dividends, indeed, may amount to much more than normal interest on advances.

Nor are the Crown Corporations merely money-making operations designed to earn profits. They serve, as well, a distinct social purpose and their policies are guided always with regard to social considerations. As a typical example I may cite the case of the Saskatchewan Timber Board.

Timber Board Operations

During the period of its operations, the Timber Board has opened six retail yards. From these yards the Board made lumber available to the people of Saskatchewan at a retail selling price 10 per cent below the lawful maximum permitted by the Wartime Prices and Trade Board. Moreover, the Timber Board has not availed itself of its right under Federal Timber Control regulations to export one-half of its supplies of lumber to the U.S.A. or elsewhere to be sold at higher prices. These prices would yield the Board at least 50 per cent more than it realizes on wholesale sales in Saskatchewan. The net cost of these policies during the six-month period, April 1 to September 30, has been \$40,000 which would have been added to the profits of the Timber Board had this Crown Corporation not been anxious to assist the people of Saskatchewan in securing greater supplies of lumber at lower prices.

Social Significance

I may present the social significance of the Government program of industrial and commercial development in other human terms.

In the six-months period from April 1 to September 30, the Power Commission and thirteen Crown Corporations produced goods and performed services worth \$2,887,474.42 to the people of the province. As at September 30, employment was provided for a total of 844 persons, and the total payroll for 6 months amounted to \$759,439. Apart from the Power Commission, the thirteen corporations employed 622 persons and in six months paid out salaries and wages totalling \$495,776.

Mr. Speaker, these are the concrete achievements accomplished in the Government program over a very short time. In spite of all alarm, private capital and enterprise, I repeat, has not been driven from the province and will continue to be an important factor in our future development. But the people of Saskatchewan themselves, through co-

operative organization and their socially-owned public enterprises are playing an increasingly important part in the expansion of a more diversified economy in this province. To attain this objective this Government has pushed the program of industrial and commercial development to utilize natural resources, to provide necessary goods and services, to make employment available for the many varied skills and talents of our people at fair wages, and to ensure a growing measure of social betterment and economic security.

FISCAL YEAR 1945-46

The Public Accounts of the Province for the year ended April 30, 1946, were tabled on February 11th. These show that there was received on revenue account a total of \$39,275,647.05, an increase over the previous year of \$5,159,077.09. The main increases in revenue were:

Liquor Profits	\$3,978,885
Dominion Subsidy	1,080,127
Gasoline Tax	1,006,737
Education Tax	697,099
Natural Resources	427,186

On the other hand there were decreases as follows:

School Lands	\$ 614,007
Public Revenue Tax	932,447
Automobile Licence Fees	454,303

The expenditures on revenue account were \$38,784,813.75, an increase over the previous year of \$6,884,269.40.

The Public Accounts for 1945-46 show that there was a surplus on the year's operations of \$490,833.

FISCAL YEAR 1946-47

Up to January 31, 1947 revenues have reached \$29,870,178 compared with \$26,311,556 during the same period, last year.

Education Tax receipts are \$927,000 greater than during the first nine months of the previous year. The tax receipts indicate that a great deal more has been spent on consumers' goods than during the war years. Present indications are that last year's record collection of \$5,592,244 will be exceeded.

Gasoline Tax receipts are \$791,658 higher for the nine-months' period ending January 31 than for the same period a year ago. Despite the fact that many of the roads have been closed because of the excessive amount of snowfall, I am confident that Gasoline Tax collections will be greater than for the previous year.

A year ago we budgeted for revenues of \$40,031,335 compared with actual revenues of \$39,275,647 for the year ended April 30, 1946. I am confident that our revenues will exceed the estimate made a year ago, and that we again shall finish the year with a balanced budget. This will be done, notwithstanding the fact that our fiscal

year ends on March 31st, in accordance with the legislation passed at the last session of the Legislature, and thus will be only for an eleven-month period.

Dominion Provincial Agreement

A year ago, I expressed the hope that an agreement with the Dominion Government would be arrived at, which would guarantee the Province sufficient revenue to discharge its responsibilities, and which would enable the Dominion to take whatever action was necessary to maintain full employment and a high national income. At that time I referred to the conferences that had been held. On April 29th a fourth meeting between the Dominion and the Provinces took place, when the Dominion Government presented certain amended proposals. After five days of deliberations the Conference broke up. Since that time there have been no further meetings between the Dominion and all the Provinces.

In the Budget Address of Rt. Hon. J. L. Ilesley given on June 27th, 1946, an offer was made to the individual Provinces. This offer provided that the Provinces would agree not to levy any taxes on personal incomes or on corporations other than a 5% tax which would be levied uniformly and the proceeds of which would belong to the Dominion. The Provinces would also give an undertaking not to levy Succession Duties. In return for these three undertakings, the Dominion Government for the 5-year term of the agreement would provide that each Province receive a guaranteed minimum annual payment equal to \$15 per capita based on the 1941 actual, or the 1942 estimated, population of the province, whichever was the greater. It was also agreed by the Dominion that these payments would be increased in proportion to increases in population and in gross national production. As an alternative, any Province was entitled to receive 150% of the annual receipts under the Wartime Tax Agreement. It was also provided that the payments for no Province would be less than \$2,000,000.

Other Details

It was agreed that the Provinces would be free to tax profits from mining and logging operations, and any such taxes would be treated as a deductible expense for Dominion Income Tax purposes. The Dominion also agreed to pay to the Provinces one-half of their net Corporation Income Tax collections from companies whose main business is the generation of electrical energy, gas, or steam. In the case of Saskatchewan, the guaranteed minimum annual payment was to be \$13,400,000.

At this point I might state that the proposed payments were not based on the principle of fiscal need. The Province of Saskatchewan has always claimed that a great deal of the wealth and income of this Dominion is concentrated in two or three large provinces, and that most of the head offices of corporations are situated in Ontario and Quebec. We have felt that these provinces get an unfair share of

the tax revenues based on the profits of these corporations and on the personal incomes and estates which have been earned in all parts of the Dominion. While we realize that the Dominion's offer did not provide for a fiscal need subsidy, yet, we do recognize the fact that it is more equitable than the old system of allowing each Province to collect what it can. The Government of Saskatchewan was the first to notify the Dominion Government that we were prepared to meet with them to work out an agreement on the basis of the terms laid down by the Minister of Finance in his Budget Speech.

Agreement Amended

Several conferences were held with the Dominion during the next few months. On November 9th, we completed the details of a Taxation Agreement to be recommended to this Legislature. Since that time, however, certain amendments have been made to the Dominion's offer. These have resulted in increasing the amount received by the provinces from the Dominion. In the case of Saskatchewan, under the latest proposals, which will be submitted to this House within a few days, the Province will receive a minimum guaranteed payment of \$15,257,000.

I should like to emphasize that the acceptance of this proposal will not mean that Saskatchewan has been able to receive what we would have had if the original proposals of the Dominion Government in August, 1945, had been accepted. This agreement only covers the field of taxation. The original offer, in addition to the fiscal arrangements, also provided that the Dominion Government would accept the full responsibility for old age pensioners over 70 years of age. The Dominion also agreed that they would contribute 50% of the cost of an Old Age Pension Plan for persons from 65 to 69 years of age who are unable to care for themselves. The proposals also provided for a Dominion contribution of 60% of the cost of a health program including hospitalization and medical care at an estimated cost of \$21.60 per capita.

The Dominion also agreed to accept the full responsibility for caring for all those persons who were able to work but could not find employment. They agreed also to contribute a percentage of the cost of Public Works programs to be arranged by the municipalities and the provinces.

Failure to achieve agreement with the Provinces at the Conference, last April, has been very costly not only for Saskatchewan but for every province in Canada. It has resulted in the provinces not having been able to attain that degree of social security that is necessary to face the post-war period through which we are now passing. There is one ray of hope, however. The Dominion Government on several occasions in recent months has declared that the social security measures still remain an essential part of the program of the Federal Government. It is my hope that, in the immediate months that lie ahead, the Dominion Government will proceed with these measures that are so essential to the welfare of our people.

Resources Problem Settled

I am very happy to be able to announce to the House, tonight, the settlement of two other long outstanding problems. One of these is the settlement with the Dominion Government in connection with the payment for the natural resources alienated by the Dominion from 1905 to 1930. By an agreement dated March 20, 1930, Saskatchewan received from the Dominion all the unalienated resources. At the same time a commission was appointed to report as to what sum should be paid to the Province, in order that Saskatchewan could be placed in a position of equality with the other provinces of Confederation. This commission was appointed in September, 1933, and reported in March, 1935. Two of the members of the commission recommended a payment of \$5,000,000 to the province by the Dominion as compensation for the retention by the Dominion of the province's natural resources. Mr. Justice Bigelow, in a minority report, recommended payment by the Dominion to the Province of over \$58,000,000.

It is interesting at this time to note that the agreement of March 20, 1930, made provision for an agreement to be entered into between the two Governments following the receipt of the commission report. Up to November, 1946, no agreement had been reached and the payment of compensation in respect of the natural resources of Saskatchewan had remained unsettled. Previous governments have taken the stand that the amount of the award of the commission was insufficient. The Dominion, on the other hand, has refused to consider payment of any additional amounts. Thus, for many years, the Dominion and the Province have remained in a state of deadlock.

Treasury Bill Settlement

The Government of Saskatchewan has now agreed to withdraw all claims for any further compensation from the Dominion Government over and above the amount of \$5,000,000 plus interest, the total now amounting to almost \$8,000,000. We have done this in conjunction with the settlement of another long outstanding problem, namely the Treasury bills given by the Province to the Dominion during the '30's. It was felt by both Governments that the two problems should be linked together in any settlement. I am thus unable to tell you exactly what amount has been accepted in final settlement of the natural resources problem. We have received the amount of the original award plus an agreement by the Dominion to cancel a substantial amount owing by Saskatchewan on the treasury bills. In other words this agreement in respect of natural resources is linked up directly with the settlement of the treasury bills.

I am very happy also to be able to announce to the Legislature, tonight, that this very ancient and contentious problem of relief treasury bills has at last been settled. The Province and the Dominion have agreed that the Province shall pay to the Dominion the sum of \$36,000,000 in full settlement of the \$80,000,000 of treasury bills held by the Dominion Government. In arriving at this settlement it was agreed that the 1938 seed grain treasury bills, having been settled the previous year, would not receive any further consideration.

Legacy of Drouth

For many years the Province of Saskatchewan has contended that the drouth and depression of the 1930's was such as to constitute a national emergency and that relief treasury bills should have been wiped out. On the other hand, the Dominion Government believed that they had already made their contribution to the emergency by providing over \$120,000,000, in addition to the advances made to the Province in return for the treasury bills. I need hardly remind the members of this House that these treasury bills were for the most part given by the Province to the Dominion for advances made to Saskatchewan in the early 30's when people here found themselves in the position where they could not care for themselves. During this time, the people of Saskatchewan suffered a reduction in income, unparalleled in peacetime, in any other civilized country. The net agricultural income of \$200,000,000 a year had fallen to an actual negative amount in 1931 and 1932. Provincial income fell by as much as two-thirds. Rural Municipal tax collections had fallen from \$18,000,000 to \$4,300,000. Relief expenditures amounted to nearly two-thirds of the total municipal and provincial revenues from 1931 to 1939. Thus, it became necessary for the Dominion to advance moneys to the Province both for direct relief payments and for agricultural relief.

No province in Canada required assistance to the extent that did Saskatchewan. Every other province was able to finance a much greater portion of its own costs out of its own funds.

The settlement made with the Dominion Government provides that the Dominion will cancel the outstanding interest on direct relief, amounting to \$5,700,000. It provides also that the Dominion will cancel 50% of the \$61,300,000 for direct relief.

The Province's share of \$30,650,000 will be repayable in equal annual instalments over the next thirty years, without any interest payments.

Residual Liability

The Province must assume the full responsibility for payment of all moneys advanced by the Dominion, for works programs and for moneys advanced for capital and other ordinary government purposes, amounting in all to \$13,400,000. From this amount we deducted the amount of the natural resources award which, with interest, amounted to \$8,000,000. Thus, there remains \$5,400,000 of treasury bills which are the responsibility of the Province alone. These will be paid off in equal annual instalments in the next thirty years, with interest at 2½%.

Thus it is that, by paying approximately \$1,250,000 annually for the next thirty years, we shall be able to liquidate completely the indebtedness of \$80,000,000 which was bearing interest at 3% annually. The total annual payments to be paid by the Province are approximately one-half of what the interest alone amounted to on the treasury bills.

The settlement of these two problems has not been all that I would have liked it to be, but I want to assure every hon. member of this House that it was the very best we could do. I believe we can agree that the settlement was fair and reasonable. It is one which will enable the Province to be on a more even footing with many of the other provinces of Canada insofar as our debt structure is concerned, and one that already has resulted in a great improvement in our credit position.

FISCAL YEAR 1947-1948

This afternoon, I tabled the estimates for the coming fiscal year. These estimates provide for a considerably higher budget than last year. Estimated receipts are \$45,591,101 compared with \$40,031,335, last year, while expenditures at the same time are estimated at \$45,571,114 compared with \$39,996,889, last year. Again, we are budgeting for a surplus.

I recognize that there may be some misgivings about our ability to raise this amount of revenue. I want to assure the House, as I have done on two previous occasions, that, based on careful examination of present receipts and economic conditions, I believe these revenues will be attained.

At the same time I would be failing in my duty as your treasurer, if I did not point out to you that we have been living in a period of great prosperity when revenues were buoyant, and that I anticipate that the revenues of the Province will not enable us to go any further in the extension of social services and economic development, unless the Legislature is prepared to find some new source of revenue.

The increased receipts are due mainly to the increased subsidy as a result of the Dominion-Provincial agreement, rather than to any overall increase in taxation.

10c. Gasoline Tax

In addition to the increased subsidy, the Dominion Government has withdrawn from the gasoline tax field. During the Dominion-Provincial Conference the Dominion was urged to give up those fields of taxation which they had entered during the war. The provinces requested that the Dominion do not levy gasoline tax, amusement tax, sales tax on electricity, and the pari-mutuel tax. In December, the Hon. D. C. Abbott announced that the Dominion was withdrawing from the taxation of gasoline stating that the Dominion recognized that this was more logically a tax for the provinces who were responsible for highway construction. The Dominion will be vacating this tax field on March 31 next.

Commencing on April 1st the Provincial gasoline tax rate will be increased by 2c a gallon, making a total tax of 10c. The additional revenue to be secured will be used entirely for highway construction work. This will enable us to accelerate our program of providing an adequate system of all-weather highways.

The Province of British Columbia has already announced that it will levy a 10c gasoline tax. It is expected that the other provinces will use this field of taxation which is being vacated by the Dominion Government.

As announced in the Legislature last week, if the municipalities request the Province to do so, we are prepared to levy a tax of 2c a gallon on all gasoline, diesel fuel and distillate used for agricultural purposes, with the understanding that moneys raised in this manner will be distributed to the municipalities and Local Improvement Districts to be used in the construction of roads.

Education Tax

No budget address of a Saskatchewan Provincial Treasurer would be complete without some reference to the Education Tax. The tax has been objected to for three reasons:

- (a) It is a regressive tax.
- (b) It is a nuisance.
- (c) The money is not used for Education.

Two years ago I agreed the tax was a regressive one, because any tax applied on foodstuffs is regressive. At the last session, however, the tax was removed on foodstuffs and meals. This has made the tax a great deal less regressive, for now the tax paid is more directly related to income.

The tax was certainly a nuisance when it had to be paid every time a person bought a meal or a few groceries. Now, it is required to be paid much less frequently, and so a portion at least of the nuisance value has been removed.

Provincial expenditures on Education have increased very greatly in the past three years, with the result that now the Education Tax is being used to pay a much greater share of educational costs, as evidenced by the following table of Provincial expenditures on Education.

1943-44	1944-45	1945-46	1946-47	1947-48
\$4,073,089	\$4,500,789	\$5,389,600	\$5,578,655	\$6,880,154

From this it can be seen that educational costs have increased by 70% in the past four years.

It has been decided to make available for Education an additional \$1,300,000 rather than to abolish the Education Tax and be forced to reduce our expenditures. We realize there is a demand in certain quarters for this tax to be abolished, but feel the needs of education far outweigh the political advantage to be gained by abolishing the tax.

We are, however, proposing certain amendments in conformity with our policy of removing the more regressive features of the tax.

These will include the removal of the tax on all drug prescriptions, patent medicines, soaps, cleansers, second-hand goods, weed control chemicals, weed sprayers and animal feeds.

Other than the increase in Gasoline Tax and the increased list of exemptions from Education Tax, there will be no changes in taxation this year.

Expenditures 1947-1948

The expenditures on current account for the next fiscal year are \$45,571,114 compared with \$39,996,889 for the current year, an increase of \$5,574,225. It is expected that every province of Canada will have increased budgets for the next fiscal year. Already, British Columbia has announced an increase in expenditures from \$42,089,608 to \$58,781,334, an increase of \$16,691,726 in one year.

The main items responsible for the increase in our expenditures are:

(a)	Refunds to farmers on 1938 seed grain.....	\$ 700,000
(b)	Payment to Ottawa on treasury bills.....	\$1,200,000
(c)	Increases in Civil Service salaries.....	\$1,000,000
(d)	Highways	\$1,000,000
(e)	Education	\$1,300,000
(f)	Agriculture	\$ 800,000

Dead Weight Debts

The settlement of the treasury bills problem has undoubtedly improved the Capital position of the Province, but has added a burden of \$1,200,000 to our current expenditure budget, for which we can show no additional service.

The same is true of the refunds being paid on the 1938 seed grain. In addition to the \$700,000 shown last year, and again this year, as being paid to Ottawa in settlement of this problem, we have included an item of another \$700,000 for refunds to those farmers who paid more than fifty per cent of their 1938 seed grain accounts.

Under the policy announced previously, the Government is collecting 50% of the principal advanced for the 1938 seed grain. Out of a total of \$6,626,664 to be collected to January 31st, the total receipts were \$3,163,933. It is our hope that collections can be speeded up during the next few months. In addition to the above amount there has been paid to the Dominion Government from Provincial funds, \$745,123.72.

As at January 31, a total of 13,975 applications for refunds under the 1938 seed grain adjustment policy had been accepted, and remittances totalling \$1,037,731.17 had been made.

Civil Servants Get Increase

For many years it has been recognized that the salaries paid Civil Servants in Saskatchewan have been disgracefully low. The

\$1,000,000 provided in the budget for increases will put the salaries paid by Saskatchewan in a position comparable to those paid by other provinces and by the Dominion, with few exceptions. It is my hope that the result will be a much higher degree of efficiency and a much greater permanency in the civil service.

Highways

During the next year, the Province will spend \$5,539,000 from current account and \$1,405,955 from capital account, a total of \$6,944,955, on highway construction and maintenance. The condition of the roads in Saskatchewan had made it necessary for the Government to increase expenditures for this purpose. In the past two years we have been unable to spend the entire amount of the vote because of shortage of equipment, materials and labour. This situation, however, has improved, and we are confident that the entire vote will be used this year.

A comparison of expenditures shows that a great deal more is being spent on highways now than formerly.

1943-44	1944-45	1945-46	1946-47	1947-48
\$2,852,060	\$3,294,788	\$3,908,367	\$5,600,000	\$6,944,955

In addition to the above there are the capital charges amounting to \$1,460,371 annually, for highways constructed many years ago, and which were never paid for. The bonded debt outstanding for highway construction now amounts to \$31,204,830.

The Province, next year, will spend a total of \$8,405,326 on highways, including the carrying charges on our debt. We expect to receive \$8,500,000 in Gasoline Tax receipts and automobile licence fees. From this it is quite apparent that we cannot spend more on our roads than we are now doing, unless we use other revenues.

It has been our policy to construct the highways from current account as much as possible. Any large increase in highway construction, however, will make it necessary to reconsider this policy.

Educational Grants Increased

In accordance with our announced policy of assuming greater responsibility for education, the present budget makes provision for increased grants for schools of \$1,120,000, and for the university of \$80,000. We realize that, in many districts, educational costs are still high; but are confident that the increase to be made this year, amounting as it does, to an average of over \$200 per school district, will remove much of the burden. This will be particularly true in the poorer districts as the increased grants will be given largely on an equalization basis.

Agriculture

In recent years we have heard a great deal about the present Government's lack of interest in agriculture. It has been stated that the

agricultural expenditures were entirely too small in relation to the total budget. A comparison of current agricultural and co-operative estimates with expenditures of 1943-44 is of interest:

	1943-44	1947-48
Agriculture	\$ 470,180	\$1,609,792
Co-operatives	23,473	189,273
	<hr/>	<hr/>
	\$ 493,653	\$1,799,065

These figures indicate that there is \$1,305,412 more to be spent on agriculture than in the year ending April 30, 1944. But this only tells a part of the story. As indicated earlier, seed grain debt payments of \$1,400,000 will be made next year, and, in addition, large sums will be spent by different Departments on various services which will be of direct benefit to agriculture.

Health and Social Welfare

The estimates do not provide for any great increase in health and social welfare expenditures, the total being \$15,260,189 compared with \$14,399,473 last year, an increase of \$860,716. These figures take into account the proposed transfer of the mental institutions from the Public Works' Department to the Health Department.

This year we have divided the Health vote into two parts, the first vote being for the matters under the control of the Department, and the second vote for those functions administered by the Health Services Planning Commission.

For some time now, we have been aware of the necessity of increasing the payments to our old age pensioners. Shortly after our election to office we made provision for free hospitalization, medical care, drugs, dental care, optical care and nursing services for the old age pensioners. We also increased the pension from \$25 to \$28 per month, with no additional assistance from the Federal Government.

We have endeavoured, without success, to have the Dominion Government increase the amount of the pension and reduce the age. We are still hopeful that we can get the Dominion to pay their regular 75% of the cost on the basis of at least \$30 per month. We do not think we can allow this class in the community to struggle along on \$28 per month any longer, particularly in view of the increased living costs.

Therefore, the Province is prepared to raise the maximum pension payable to old age pensioners and blind pensioners to \$30 per month, effective April 1st next.

Assistance to Municipalities

We have heard in recent weeks of the assistance being given in other provinces to municipalities and schools, as a result of the Dominion-Provincial agreements. In this connection, I would like to

quote a statement in the Regina *Leader-Post* on February 28, as follows:

"Manitoba was proposing to pay out approximately \$3,000,000 a year from its federal grant to provide assistance to municipalities, school boards and other local governing bodies. Alberta planned to abolish the provincial tax on land, thus easing the burden of land taxation by over a million dollars. And British Columbia had indicated steps would be taken to implement a report which recommended substantial additional financial assistance to the municipalities."

I am sure we all commend these governments for what they have done to assist the local governing bodies, recognizing as we do that the increased cost of government affects the municipalities and school boards adversely, as it does senior governments. At the same time, I am afraid the author of the statement is woefully ignorant of what the Province of Saskatchewan has done, and is doing, this year, to assist the municipalities and school boards. We have not waited until the completion of the Dominion-Provincial agreement to recognize their problems. During the past two years the Province has relieved the municipalities of many responsibilities which have assisted them very greatly, and this year we propose to assist them still further.

I would remind hon. members that school grants have increased by over \$2,000,000 in the past three years. The provision of health services, formerly a municipal responsibility, has been undertaken by the Province at a cost of \$2,000,000 above that of 1943-44. Grants for municipal roads have increased by \$320,000 during the same period. Increased social welfare services for mothers and neglected children have relieved the municipalities of a burden costing the Province \$850,000 more than was spent in 1944.

This year, we shall spend \$1,400,000 on the 1938 seed grain settlement, a direct responsibility of the rural municipalities. We shall also be required to find a total of \$1,200,000, this year, in settlement of treasury bills given in the depression years to relieve the municipalities of a responsibility that was too great for them.

These few items alone total \$7,770,000, an amount considerably greater than the additional subsidy that is being received this year from Ottawa. No government in Canada has done what we have to assist the municipalities. We recognize at the same time that they have a very serious problem which will require much attention. I want to assure you, Mr. Speaker, we shall do all in our power to help find a solution for this problem.

In addition to these items mentioned, the Board of Revenue Commissioners has issued orders, during the first ten months of this year, cancelling direct relief accounts owing by the municipalities to the Province to the amount of \$135,892.

Seed Grain and Relief Cancelled

It has already been announced that legislation will be introduced at this session to cancel 1935, 1936 and 1937 seed grain advances,

amounting in all to \$21,833,000. The 1938 seed grain advances, which were cancelled in 1945, amounted to \$9,973,000. Other cancellations of seed grain and relief accounts incurred back to 1917, amounted to \$7,381,232. These three items alone amount to \$39,187,232. But these are not the only debts that we cancelled. In November, 1944, we cancelled our share of the direct relief advanced to those in need during the depression years amounting in all to \$33,000,000.

I trust, therefore, it will not be forgotten that we have cancelled accounts totalling \$72,187,232, when comparisons are made with the generous actions of other provinces.

Relieving the municipalities of a burden of \$39,187,232 has meant additional revenues for them, and, in fact is equivalent to a very large annual grant—much larger than what is being proposed in adjoining provinces. When considered along with the \$7,770,000 annual payment for municipal responsibilities, as previously mentioned, it can be seen quite easily that Saskatchewan is doing far more than any other Province to assist local governing bodies.

Debt Reduction

In previous years I have emphasized the fact that we were passing through a period when revenues were very buoyant. We have been told we should establish reserves for the future. It is my opinion that one of the best ways to do this is to reduce the public debt and improve our credit position, so that, if it becomes necessary to borrow money, it can be done at reasonable rates of interest. In conformity with this policy, our debt has been steadily reduced during the past three years as is indicated in the following table:

	<u>Apr. 30/44</u>	<u>Apr. 30/45</u>	<u>Apr. 30/46</u>	<u>Dec. 31/46</u>
Bonded Debt	\$125,244,945	\$127,455,993	\$119,793,133	\$117,030,213
Treasury				
Bills	92,910,900	106,272,254	100,237,246	99,193,808
Contingent				
Liabilities ...	20,016,607	1,904,002	1,851,512	1,395,654
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Gross Debt ...	\$238,172,452	\$235,632,249	\$221,881,891	\$217,619,675
Less Sinking				
Funds	23,919,341	31,000,477	28,708,827	29,946,705
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Debt	\$214,253,111	\$204,631,772	\$193,173,064	\$187,672,970
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

From these figures it can be seen that the total net debt has been reduced by \$26,580,141 since April 30, 1944.

To this amount may be added the \$44,000,000 by which the treasury bill indebtedness will be reduced as a result of the settlement with the

Federal Government, making a total reduction of over \$70,000,000 in 2½ years.

The foregoing figures do not take into account the bank balances. My hon. friends opposite will be pleased to learn that the \$8,000,000 they left in the bank is still there. Indeed, it has actually grown to over \$10,000,000, in spite of the debt reductions and heavier expenditures of the past two years.

During the present fiscal year the following maturities were paid off:—

June 15	\$ 200,000.....	3½%	Short-term debentures.
Sept. 15	150,000.....	3½%	Short-term debentures.
Nov. 1	108,900.....	4 %	Short-term debentures.
Nov. 15	\$2,000,000.....	5½%	25 year debentures.

Refundings

In addition, on November 15, we refunded \$3,000,000 of the 5½% debentures with a new 16-year 3¼% issue, at a cost to the Province of 3.52%.

As announced in the Legislature on February 20 last, arrangements have been completed to refund the April 15th maturities totalling almost \$5,000,000. These were short-term bonds bearing 3¾% interest, and have been refunded with a 16-year issue bearing interest at 3%; at a cost to the Province of 3.18%. These refundings have resulted in new all-time low interest rates for bonds issued by any Saskatchewan Government, and have brought the average rate on our bonded debt down to approximately 4.4%.

American Loan Paid Off

The removal of the 10½% exchange on the American dollar in July, 1946, was of great assistance to the Province in the past year. It enabled us to carry out the November 15th refunding operations in Canada.

In addition to this, it gave us an opportunity to re-pay \$2,250,000 borrowed in New York in July, 1945, without having to pay a premium. This money was borrowed in American funds at that time in order to pay off the \$2,250,000 of 4½%—twenty year debentures. The net cost to the Province of the borrowed money was ¾ of 1% per year.

At the time the money was borrowed, the exchange on American funds was 11%, so that this action of the Government resulted in a net saving to Saskatchewan of \$230,000.

Improved Bond Prices

I am pleased to report that the market for Saskatchewan bonds continues to improve. Two years ago our 5% bonds due in 1958 were selling at 91½. They had risen to 113 one year ago. To-day they are selling readily at 116. This is further evidence of the investing public's confidence in Saskatchewan—a confidence that will not be misplaced.

It will continue to be the policy of this Government to protect the interests of those who invest their savings in the resources of the province.

Planned Economy Necessary

A year ago I stated: "The people of Saskatchewan will not be frightened by a \$50,000,000 budget or a \$60,000,000 one if necessary. They will measure a Government by the way it spends the money, and by the people's economic and social position as a result of the spending. If they realize that money is being spent on public development and socialized undertakings that will improve their position economically and increase their security, they will gladly support such expenditures."

It is my belief that if we are going to utilize and co-ordinate the resources, man-power, and finances to effectively provide security it will be done only through a planned economy. We recognize that private enterprise has never been able to provide enough jobs for all except in war-time. Our people have learned, through the sacrifices and sufferings of war, that it is possible to achieve full employment and the economic security that goes with it. This was done by planning the Canadian economy in war-time. It is going to be very difficult to convince the people of Saskatchewan that, if economic planning was necessary in war-time, it should not be essential, also, in times of peace. We recognize that the social and economic security of our people can be guaranteed only through a Federal Government operating democratically in the interests of society.

Responsibility of Province

Nevertheless, we believe it is our duty to do what we can, as a Province, to assist in attaining that security for our people. It is a definite obligation on our part to see that the economy is functioning to its greatest capacity, insofar as we can. For this reason we are prepared to increase very greatly our expenditures on agriculture and natural resources, believing, as we do, that these expenditures will provide us with a wider base upon which industry can expand. For this reason, also, we are prepared to increase our expenditures for public development and socialized industries, particularly in the field of power, highways, and telephones.

During the past two years we have invested in many new industries in the Province, with a view to assisting our primary industries and providing a more diversified economy for the Province. I am confident that these policies have been and will be of great assistance in stabilizing the income of the people of the Province. Economic activity largely determines the amount of revenue available for governments.

The provision of social services by the Government does not, of necessity, add to the burden of the taxpayer. In many instances it can be shown that it results in actual savings. It is an extension of the principles of co-operation, to which lip service is paid by many, but which would be strangled to death if left to the tender mercies of our so-called "Free Enterprise" friends.

Conclusion

In presenting this budget, I do so confident that my hon. friends opposite, as in the past two years, will declare that it will ruin the Province, and that it will drive us deeper into debt. To them I would repeat what I said in 1945:

"The Province cannot be ruined as long as every person in need is being cared for; as long as every human being has an opportunity to develop to the limit of his or her ability, and as long as health services are available to those in need.

"What we require today is a revolution in our attitude toward the purpose of public finance. I refuse to accept the idea that a balanced budget is the only factor in our financial proposals. I agree that a balanced budget is desirable, and am presenting such a one tonight. But the real task is to assure the security of the people. A budget may be balanced on their poverty or their misery. As long as I occupy the important position of Provincial Treasurer, it shall be my aim to balance the budget, keeping in mind the needs of the people of the Province. The budget, rather than being a 'monetary budget' alone, must also become a 'human budget' which will guarantee a minimum of social security to all."

Mr. Speaker, I want to assure you tonight, this policy has been maintained. At the same time we have honoured every obligation of the Province, and by so doing have restored our credit.

And so it is with confidence that I present these financial proposals for your consideration at this time—proposals that look forward to a new world that is in the making, and not backward to the old world that is passing away; proposals that recognize new responsibilities . . .

New occasions teach new duties: Time makes
ancient good uncouth;
They must upward still, and onward,
who would keep abreast of Truth.

Mr. Speaker, I move that you do now leave the chair.

STATEMENT NO. 1
SASKATCHEWAN
ESTIMATED CASH FARM INCOME FROM THE SALE OF PRODUCE
1945 and 1946

	1945	1946
Wheat.....	\$190,483,000	\$184,908,000
Wheat Participation Certificates.....	5,208,000	19,692,000
Oats.....	48,950,000	32,552,000
Barley.....	22,095,000	18,227,000
Rye.....	3,610,000	5,802,000
Flax.....	7,176,000	6,740,000
Total Principal Grains.....	\$277,522,000	\$267,921,000
Cattle and Calves.....	51,832,000	56,057,000
Hogs.....	30,713,000	19,277,000
Sheep and Lambs.....	1,540,000	1,584,000
Dairy Products.....	19,012,000	20,001,000
Poultry and Eggs.....	23,632,000	22,993,000
Total Principal Livestock Products.....	\$126,729,000	\$119,912,000
Miscellaneous Farm Products.....	10,807,000	11,020,000
Total Cash Income.....	\$415,058,000	\$398,853,000

GOVERNMENT OF THE PROVINCE OF SASKATCHEWAN
COMPARATIVE STATEMENT OF GROSS AND PER CAPITA EXPENDITURE ON REVENUE ACCOUNT
For the Years Ended April 30, 1936, 1942, 1943, 1944, 1945 and 1946

	FOR THE YEARS				PER CAPITA EXPENDITURE							
	1936	1942	1943	1944	1945	1946	1936	1942	1943	1944	1945	1946
Debt Charges.....	\$ 6,889,170.80	\$ 7,872,569.92	\$ 7,423,463.73	\$ 7,513,276.89	\$ 6,786,499.13	\$ 6,912,442.93	\$ 7.40	\$ 8.79	\$ 8.29	\$ 8.91	\$ 8.05	\$ 8.39
Legislation.....	178,404.81	167,705.59	167,875.83	163,508.59	419,955.33	185,579.16	.19	.19	.19	.19	.50	.23
Administration & General Govern- ment.....	1,327,695.82	2,129,103.23	2,387,869.61	2,535,959.37	2,758,528.21	3,088,181.29	1.43	2.38	2.66	3.01	3.27	3.75
Education.....	3,078,382.58	4,267,116.32	3,961,993.82	4,052,386.36	4,473,830.12	5,351,007.75	3.31	4.76	4.42	4.81	5.31	6.50
Legal and Judicial Administration...	913,688.08	1,000,840.09	969,055.43	995,766.88	1,036,451.42	1,116,594.25	.98	1.11	1.08	1.18	1.23	1.36
Transportation & Communication...	807,165.51	1,816,290.95	2,067,968.23	2,812,546.40	3,255,977.74	3,846,583.46	.87	2.02	2.31	3.34	3.86	4.67
Public Welfare.....	3,093,767.81	(1)9,245,969.98	(1)8,683,247.14	(1)9,933,988.58	(1)11,123,748.59	(1)14,875,600.11	3.32	10.32	9.69	11.78	13.19	18.06
Agriculture and Public Domain ..	600,620.39	1,288,750.66	937,059.46	990,457.43	1,145,662.16	1,675,244.26	.64	1.44	1.05	1.17	1.36	2.03
Other Ordinary Expenditures	165,767.46	392,471.67	128,821.57	802,069.41	899,891.65	1,733,580.54	.18	.44	.14	.96	1.07	2.11
	\$17,054,663.26	\$28,180,818.41	\$26,727,354.82	\$29,799,959.91	\$31,900,544.35	\$38,784,813.75	\$18.32	\$31.45	\$29.83	\$35.35	\$37.84	\$47.10

Estimated Population..... 930,893 887,747 895,992(2) 843,000 843,000 823,438

(1)—For comparative purposes deduct \$2,085,587.76 from 1942, \$2,127,599.04 from 1943, \$2,446,875.20 from 1944, \$2,908,394.00 from 1945 and \$3,015,482.54 from 1946 being Dominion contributions and reimbursements from other Provinces re: Old Age and Blind Pensions.

(2)—Dominion Census.

GOVERNMENT OF THE PROVINCE OF SASKATCHEWAN
COMPARATIVE STATEMENT OF GROSS REVENUE ON REVENUE ACCOUNT
For the Years Ended April 30, 1936, 1942, 1943, 1944, 1945 and 1946.

	1936	FOR THE YEARS				1946	1936	1942	PER CAPITA			
		1942	1943	1944	1945	1946	1936	1942	1943	1944	1945	1946
Dominion of												
Canada Subsidies...	\$ 2,144,975.00	\$ 5,019,633.11	\$ 7,751,377.02	\$ 8,388,925.00	\$ 7,389,704.71	\$ 8,469,831.79	\$	2.30	\$ 5.60	\$ 8.65	\$ 9.95	\$ 8.76
Taxation.....	5,686,939.81	11,231,685.51	9,213,212.29	11,259,977.35	11,877,382.81	12,824,815.79		6.11	12.54	10.28	13.36	14.09
Licenses.....	1,499,032.57	2,977,660.22	1,781,941.67	3,534,486.52	3,120,103.05	2,564,993.18		1.61	3.32	4.19	3.70	3.11
Fees.....	881,248.23	929,199.39	887,688.38	1,119,471.29	1,338,789.27	1,305,018.52		.95	1.04	.99	1.33	1.59
Interest.....	2,533,089.38	2,241,633.12	2,193,780.00	2,969,131.83	2,574,532.07	2,369,366.28		2.72	2.50	2.45	3.52	2.88
Public Domain												
and School Lands	1,667,865.98	1,977,607.70	2,254,356.40	2,930,949.24	3,218,959.30	2,988,931.14		1.79	2.21	2.52	3.48	3.63
Liquor Profits.....	1,278,730.74	995,008.61	3,979,165.00		1.37	1.11	4.83
Miscellaneous.....	432,787.29	3,067,938.85(1)	3,193,118.28(1)	4,068,904.84(1)	4,597,098.75(1)	4,773,525.35(1)		.46	3.42	3.56	4.83	5.80
Total Revenue on												
Revenue.....	\$16,124,689.00	\$28,440,366.51	\$27,275,474.04	\$34,271,846.07	\$34,116,569.96	\$39,275,647.05	\$17.31	\$31.74	\$30.44	\$40.66	\$40.47	\$47.70
Estimated Popula-												
tion.....	930,893	895,992(2)	895,992(2)	843,000	843,000	823,438						

(1)—For comparative purposes deduct \$2,085,587.76 from 1942, \$2,127,599.04 from 1943, \$2,446,875.20 from 1944, \$2,908,394.00 from 1945 and \$3,015,482.54 from 1946 being Dominion Government contribution and reimbursement from other Provinces re: Old Age and Blind Pensions.

(2)—Dominion Census.

